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2 SUPREME COURT OF THE STATE OF NEW YORK
3 COUNTY OF NEW YORK - CIVIL TERM - PART 53

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5 OPPENHEIMER AMT-FREE MUNICIPALS, OPPENHEIMER
6 MULTI-STATE MUNICIPAL TRUST, on behalf of its
7 series Oppenheimer Rochester National Municipals
8 and OPPENHEIMER MUNICIPAL FUND, on behalf of its
9 series Oppenheimer Limited Term Municipal Fund,

10 Plaintiff,

11

12 -against-

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14 ACA FINANCIAL GUARANTY CORPORATION,

15

16 Defendant.

17 -----X

18 Index # 653290/2011 Proceedings

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20 60 Centre Street
21 New York, New York
22 April 18, 2012

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24 B E F O R E:

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26 HONORABLE CHARLES E. RAMOS,
Justice.

27

28 A P P E A R A N C E S:

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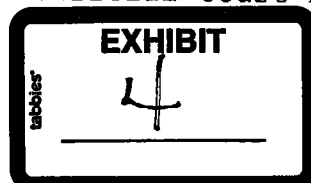
42

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49 Official Court Reporter

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1 -Proceedings-

2 somewhat million dollars?

3 MR. HUTCHINSON: My clients purchased some
4 37.18 million in certificates of bond insurance, or as they
5 call them CBIs, issued by ACA relating to certain of the
6 zero coupon municipal bond.

7 THE COURT: When was the purchase made?

8 MR. HUTCHINSON: I believe it was made after 2001,
9 your Honor.

10 THE COURT: Not after the collapse? The purchase
11 was done before the financial collapse?

12 MR. HUTCHINSON: Correct, your Honor.

13 THE COURT: Okay.

14 MR. HUTCHINSON: And ACA received a premium,
15 obviously, for issuing those policies.

16 THE COURT: Were the insured bonds investment
17 quality -- how well were they rated?

18 MR. HUTCHINSON: This is very important to the
19 motion, your Honor. They are what is known as financial
20 guaranty insurance, which are issued by monoline insurers.
21 And they are governed by the New York Insurance Law. And
22 there are specific provisions as to what these kinds of
23 policies have to contain. I will take you more through the
24 facts, but that insurance law is very important.

25 The insured bonds were wrapped by the policies and
26 evidenced by the CBIs. Oppenheimer was entitled to receive